GOVERNMENT OF INDIA
HOME AFFAIRS
LOK SABHA

UNSTARRED QUESTION NO:3628
ANSWERED ON:16.05.2006
FDI IN NAXAL AFFECTED AREAS
Mohite Shri Subodh

Will the Minister of HOME AFFAIRS be pleased to state:

(a) whether naxalite activities are a major hurdle in attracting foreign direct investment in proposed development projects of least developed States;

(b) if so, the details thereof;

(c) if not, the details of FDI made in such States during last three years in comparison to developed States in the country; and

(d) the measure proposed to attract FDI in naxalite affected areas ?

Answer

MINISTER OF STATE IN THE MINISTRY OF HOME AFFAIRS (SHRI SRIPRAKASH JAISWAL)

(a) & (b): As per available reports, the naxalite outfits including CPI (Maoist) oppose foreign direct investment for setting up industrial units in the country particularly, in the tribal dominated areas of Chhatisgarh, Jharkhand and Orissa on the ground that they exploit local resources.

(c): Details of FDI inflows from January 2003 to February 2006 are as under:

S.No.	States	(Rs. In crores)
1.	Bihar & Jharkhand	1.13
2.	Madhya Pradesh & Chhattisgarh	146.65
3.	Maharashtra	6569.73
4.	Orissa	315.88
5.	Uttar Pradesh & Uttranchal	0.03
6.	West Bengal, Sikkim, Andaman & Nickobar Islands	1045.13
7	Andhra Pradesh	2178.91
8.	Gujarat	2453.36
9.	Karnataka	3920.49
10.	Tamil Nadu & Pondicherry	2435.67
11.	Delhi, Part of UP & Haryana	10184.67

(d): The States affected by naxalism have been taking steps to implement land reforms, put in place an attractive rehabilitation and resettlement policy for displaced tribals and provide good governance. These measures will directly/indirectly attract FDI in naxal affected areas.